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2 RESOLUTION NO. 94-12

3 RESOLUTION OF THE CALIFORNIA HOUSING FINANCE AGENCY
4 AUTHORIZING THE AGENCY TO OBTAIN A LINE OF CREDIT
5 FROM THE POOLED MONEY INVESTMENT ACCOUNT FOR PURPOSES
6 RELATED TO THE ISSUANCE OF BONDS IN THE
7 FINANCING OF SINGLE FAMILY AND MULTIFAMILY HOUSING

8 WHEREAS, the California Housing Finance Agency ("Agency")
9 has determined that there exists a need in California for
10 providing financial assistance to persons and families of low or
11 moderate income; and

12 WHEREAS, the Agency has determined that it is in the public
13 interest for the Agency to provide such financial assistance in
14 programs authorized by its Board in Resolutions 93-30, 94-01, and
15 94-02 to make available below-market-rate loans for the permanent
16 financing of residences, and multi-unit rental housing
17 developments ("Program"); and

18 WHEREAS, pursuant to Parts 1 through 4 of Division 31 of the
19 Health and Safety Code of the State of California (the "Act"),
20 the Agency has the authority to issue bonds to provide sufficient
21 funds to finance the Program, including the making of loans, the
22 payment of capitalized interest on the bonds, the establishment
23 of reserves to secure the bonds, and the payment of other costs
24 of the Agency incident to, and necessary or convenient to, the
25 issuance of the bonds ("Bonds"); and

26 WHEREAS, under the Program the Agency may periodically be
27 required to purchase loans on a short-term basis prior to actual
issuance of Bonds using its own funds ("Warehouse"); and

WHEREAS, while an ability to Warehouse loans until Bond
proceeds are available enhances the Agency's capability to
purchase loans, such warehousing using its own funds is limited;
and

WHEREAS, while a line of credit from the Pooled Money
Investment Account (the "PMIA") enables CHFA to improve the
effectiveness of the administration of the Program, CHFA intends
to use its own funds to Warehouse loans first, and use the line
of credit from the PMIA as a backstop; and

WHEREAS, a line of credit allows CHFA to more easily meet
certain liquidity tests imposed by Standard and Poor's
Corporation for "top tier" designation; and

WHEREAS, the Agency is authorized to issue bonds and to
establish such a line of credit to meet its public purposes; and

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2 WHEREAS, pursuant to Government Code Section 16312 the
3 Pooled Money Investment Board (the "PMIB") is authorized to lend
4 money from the PMIA to other state agencies which have statutory
5 authority to issue bonds, such as the Agency.

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7 NOW, THEREFORE, BE IT RESOLVED, by the California Housing
8 Finance Agency as follows:
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10 Section 1. The Agency is authorized to apply to the PMIB in
11 order to obtain a loan or loans, on a short-term-line-of-credit
12 basis, from the PMIA in an aggregate amount not to exceed
13 \$50,000,000 at any time, to Warehouse loans for the purpose of
14 allowing the Agency to carry out its Program which is authorized
15 to be financed by issuing bonds, notes, or other evidence of
16 indebtedness.

17 Section 2. In the Executive Director's absence or upon his
18 authorization, all actions by the Executive Director herein
19 approved or authorized may be taken by the Chief Deputy Director
20 or the Director of Financing of the Agency.

21 I hereby certify that this is a true and correct copy of
22 Resolution 94-12 adopted at a duly constituted meeting of the
23 Board of the Agency held on July 14, 1994, at Millbrae,
24 California.

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ATTEST:


Secretary